



Legislative Bulletin.....July 13, 2005

Contents:

- H.R. 1220** — Veterans' Compensation Cost-of-Living Adjustment Act of 2005
- H.R. 2385** — To make permanent the authority of the Secretary of Commerce to conduct the quarterly financial report program
- H.R. 2113** — To designate the facility of the United States Postal Service located at 2000 McDonough Street in Joliet, Illinois, as the "John F. Whiteside Joliet Post Office Building"
- H.R. 2183** — Vincent Palladino Post Office Designation Act
- H.R. 2630** — J.M. Dietrich Northeast Annex Designation Act
- H.R. 3100** — East Asia Security Act
- H.Con.Res. 191** — Commemorating the 60th anniversary of the conclusion of the war in the Pacific and honoring veterans of both the Pacific and Atlantic theaters of the Second World War

Summary of the Bills Under Consideration Today:

Total Number of New Government Programs: 0

Total Cost of Discretionary Authorizations: \$40.5 million over five years

Effect on Revenue: \$0

Total Change in Mandatory Spending: \$1 million over five years

Total New State & Local Government Mandates: 0

Total New Private Sector Mandates: 0

Number of Bills Without Committee Reports: 4

Number of Reported Bills that Don't Cite Specific Clauses of Constitutional Authority: 0

H.R. 1220— Veterans' Compensation Cost-of-Living Adjustment Act of 2005 (Buyer)

Order of Business: The bill is scheduled to be considered on Wednesday, July 13, 2005, under a motion to suspend the rules and pass the bill.

Summary: H.R. 1220 provides a cost-of-living adjustment (COLA) for disability compensation for veterans with service-connected disabilities and for dependency and indemnity compensation

for survivors of certain service-connected disabled veterans. The COLA is equal to the increase provided under the Social Security Act (based on changes in the Consumer Price Index), effective December 1, 2005. The Act also increases the COLA for assistance paid to surviving spouses with dependent children under age 18.

H.R. 1220 directs the Secretary of Veterans' Affairs to conduct a new, two-year, \$10 million demonstration project, in which a performance-based contract will be awarded to a contractor for the purpose of examining the current business procedures at two Veterans' facilities (one must be a medical facility). Specifically, the contractor would examine procedures used to recover or collect overdue payments from third-party payers. Additionally the contractor will be required to reengineer facility processes and develop and implement a plan for the transition to the new procedures. Finally, the contractor will establish a comprehensive database containing third-party payer information for veterans receiving health care and services at VA facilities. The Secretary is directed to report to Congress on the progress of the demonstration project, as well as issue a final report, which is to include a "recommendation for implementing on a permanent basis the recovery or collection system demonstrated in the project and expanding the project to other facilities of the Veterans Health Administration."

The bill also directs the Secretary to designate six VA health-care facilities as the locations for centers of Parkinson's Disease Research (PADRECC), education and clinical activities, and establish and operate the centers, and authorizes "such sums as may be necessary" for the support of the PADRECCs. The Secretary would establish an expert panel to assess the scientific and clinical merit of proposals that are submitted to the Secretary for the establishment of new centers. H.R. 1220 provides that clinical and scientific activities at each PADRECC is "eligible to compete for the award of funding from funds appropriated for the Department medical and prosthetics research account and shall receive priority in the award of funding from such account insofar as funds are awarded to projects for research in Parkinson's disease and other movement disorders." According to the Committee, the VA has already established six PADRECCs through its administrative powers and this provision will official authorize the centers and establish specific criteria for their operation.

Committee Action: On March 10, 2005, the bill was introduced and referred to the House Committee on Veterans' Affairs, which considered it, held a mark-up, and reported it to the full House by voice vote on June 23, 2005.

Cost to Taxpayers: CBO estimates enactment of H.R. 1220 would increase direct spending for veterans disability compensation by less than \$200,000 in 2006, \$1 million over the 2006-2010 period, and \$2 million over the 2006-2015 period. Additionally, CBO estimates discretionary spending resulting from implementation of H.R. 1220 would total \$2 million in 2006 and \$10 million over the 2006-2008 period, assuming appropriation of the authorized amount.

Does the Bill Expand the Size and Scope of the Federal Government?: H.R. 1220 creates a new, \$10 million federal demonstration project, that the Committee argues will streamline VA health-care services and billing practices.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: No.

Constitutional Authority: The Committee finds authority in Article I, Section 8 (provides for the common defense and general welfare) of the United States Constitution.

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H.R. 2385 — To make permanent the authority of the Secretary of Commerce to conduct the quarterly financial report program (Turner)

Order of Business: The bill is scheduled to be considered on Wednesday, July 13, 2005, under a motion to suspend the rules and pass the bill.

Summary: H.R. 2385 would extend by 10 years (until 2015), the authority of the Secretary of Commerce to conduct the financial report program, by changing the termination date specified in the U.S. Code, from September 30, 2005, to September 30, 2015. According to Committee Report [109-164](#), “Title 13 of the United States Code, requires the Secretary of Commerce to collect and publish quarterly statistics on manufacturing, mining and trade corporations. The Quarterly Financial Report is a closely watched principle economic indicator used to estimate Gross Domestic Product, the Federal Reserve’s Flow of Funds account, and other official estimates. The program has been in place and uninterrupted since 1947 and was transferred from the Federal Trade Commission to the Department of Commerce in 1983. The Secretary of Commerce’s authorization to conduct the Quarterly Financial Report Program expires September 30, 2005.”

Committee Action: On May 17, 2005, the bill was introduced and referred to the House Government Reform Committee, which considered it, held a mark-up, and reported it to the full House by a voice vote on June 16, 2005.

Cost to Taxpayers: CBO estimates implementing H.R. 2385 would cost \$5 million in 2006 and \$26 million over a five-year period.

Does the Bill Expand the Size and Scope of the Federal Government?: No.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: According to CBO, H.R. 2385 would impose a private-sector mandate. The quarterly financial report program, which H.R. 2385 extends by ten years, requires certain companies to provide information and financial data from their business to the Census Bureau. CBO explains that extending the program would continue to be a private-sector mandate on those companies.

Constitutional Authority: The Committee finds authority in Article I, Section 8, Clause 18 (all laws necessary and proper) of the Constitution of the United States.

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H.R. 2113 — To designate the facility of the United States Postal Service located at 2000 McDonough Street in Joliet, Illinois, as the “John F. Whiteside Joliet Post Office Building”—as introduced (Weller)

Order of Business: The bill is scheduled to be considered on Wednesday, July 13, 2005, under a motion to suspend the rules and pass the bill.

Summary: H.R. 2113 designates the facility of the United States Postal Service located at 2000 McDonough Street in Joliet, Illinois, as the "John F. Whiteside Joliet Post Office Building."

Additional Information: According to the sponsor's office, John F. Whiteside was a well-respected man in the Joliet community, who lost his 18-month battle with melanoma cancer on January 22, 2005.

"He graduated from Northern Illinois University and spent his entire newspaper career with the Herald News paper in Joliet. He started as a reporter for the paper in 1971 and then started writing daily columns in 1981 and did so until his death. Through his writing, he became well acquainted with the readers and the people of Joliet. Mr. Whiteside was a United States Air Force Veteran, a veteran advocate, and helped to form the Honor Guard at Lincoln National Cemetery."

Committee Action: On May 5, 2005, the bill was introduced and referred to the House Government Reform Committee, which considered it and reported it to the full House by unanimous consent on June 16, 2005.

Cost to Taxpayers: The only costs associated with a postal facility renaming are those for sign and map changes, none of which significantly affect the federal budget.

Does the Bill Expand the Size and Scope of the Federal Government?: No.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: No.

Constitutional Authority: Although no committee report citing constitutional authority is available, Article I, Section 8, Clause 7 of the Constitution grants Congress the authority to establish Post Offices and post Roads.

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H.R. 2183 — Vincent Palladino Post Office Designation Act — *as introduced* (Fossella)

Order of Business: The bill is scheduled for consideration on Wednesday, July 13, under a motion to suspend the rules and pass the bill.

Summary: H.R. 2183 would rename the U.S. Postal Service facility located at 567 Tompkins Avenue in Staten Island, New York, as the "Vincent Palladino Post Office."

Additional Information: Vincent Palladino served as the President of National Association of Postal Supervisors (NAPS) for over twelve years. Mr. Palladino was elected to a seventh

consecutive term as the President of NAPS in August prior to his death on December 20, 2004. Prior to his role as President of NAPS, he served as the organization's executive vice president for six years. Palladino began his career as a letter carrier in Staten Island, NY, in 1960. He was later promoted to foreman of mails and then station manager in 1970. Prior to joining the Postal Service, Mr. Palladino served in the U.S. Air Force for four years.

Committee Action: H.R. 2183 was introduced on May 5, 2005, and referred to the Committee on Government Reform. The bill was considered and a mark-up session was held on June 16, and it was reported to the House by unanimous consent.

Cost to Taxpayers: The only costs associated with a postal facility renaming are those for sign and map changes, none of which significantly affect the federal budget.

Does the Bill Expand the Size and Scope of the Federal Government?: No.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: No.

Constitutional Authority: Although no committee report citing constitutional authority is available, Article I, Section 8, Clause 7 of the Constitution grants Congress the authority to "establish Post Offices and post Roads."

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H.R. 2630 — J.M. Dietrich Northeast Annex Designation Act — *as introduced* (LaHood)

Order of Business: The bill is scheduled for consideration on Wednesday, July 13, under a motion to suspend the rules and pass the bill.

Summary: H.R. 2630 would rename the U.S. Postal Service facility located at 1927 Sangamon Avenue in Springfield, Illinois, and known as the Northeast Annex, as the "J.M. Dietrich Northeast Annex."

Additional Information: According to the sponsor, Mr. Dietrich was a postal supervisor for more than 20 years in the Illinois capital city before his untimely death in September 2003.

Committee Action: H.R. 2630 was introduced on May 25, 2005, and referred to the Committee on Government Reform. The bill was considered and a mark-up session was held on June 16, and it was reported to the House by unanimous consent.

Cost to Taxpayers: The only costs associated with a postal facility renaming are those for sign and map changes, none of which significantly affect the federal budget.

Does the Bill Expand the Size and Scope of the Federal Government?: No.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: No.

Constitutional Authority: Although no committee report citing constitutional authority is available, Article I, Section 8, Clause 7 of the Constitution grants Congress the authority to “establish Post Offices and post Roads.”

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H.R. 3100 — East Asia Security Act (Hyde)

Order of Business: The bill is scheduled to be considered on Wednesday, July 13th, under a motion to suspend the rules and pass the bill.

Summary: H.R. 3100 would authorize a variety of provisions aimed at preventing arms transfers to the People’s Republic of China, as follows:

- Requires the President to submit an annual report to Congress identifying every foreign person of the European Union (EU) for which the United States has credible information that such person has exported to China any arms or dual-use technology for military end-use since January 1, 2005. [Note: this would *not* affect last year’s controversial European arms transfers to China.] Provides for a few limited exceptions.
- Encourages the President to include non-EU persons in the above report.
- Requires the President to submit an annual report (either separate or combined with the above report) to Congress identifying every foreign country engaged in U.S. cooperative weapons research and development projects whose policies on or after the date of enactment of this legislation allow the transfer to China of any arms or dual-use technology for military end-use.
- Requires munitions licenses (and notifications to Congress) for non-government exporters of U.S. weapons technology to a country in the above report (regarding cooperative projects).
- Requires licenses (and notifications to Congress) before ownership or control of U.S. weapons and other defense articles could be transferred (as part of an acquisition) to Chinese nationals, persons identified in the first report summarized above, persons having their principal place of business in a country listed in the second report summarized above, or organizations in the U.S. owned or controlled by a foreign person or country listed in either of the two reports above. Clarifies that the licensing requirement does not apply retroactively, unless the President determines that such retroactivity is needed.
- Also requires that a presidential finding regarding political reforms in China, under section 902 of the Foreign Relations Authorization Act, FY 90–91 (Public Law 101–246), precede issuance of a munitions license in the case of Chinese ownership or control of a United States defense firm.

- Requires licenses (and notifications to Congress) for any military-end export to China that does not already require a license.
- Authorizes the President (and *requires* the President, in the case of repeat offenders in more than one year) to apply the following sanctions against foreign persons or governments identified in the first report summarized above:

--Denial of participation in existing and new cooperative research and development programs and projects;

--Prohibition of ownership and control of any business organization required to be registered with the U.S. government as a manufacturer or exporter of defense articles or defense services;

--Prohibition on participation in certain foreign military sales or any design and construction sales;

--Prohibition on licenses and other forms of approval for the export of any item on the United States Munitions List as in effect on August 8, 1995;

--Prohibition on licenses and other forms of approval for dual-use goods or technology, the export of which is controlled under the Export Administration Act of 1979 (as continued in effect under the International Emergency Economic Powers Act) or the Export Administration Regulations;

--Suspension of the use of any license exemption and expedited license procedure established in the International Traffic in Arms Regulations or other provisions of law for the export or temporary import of defense articles and defense services;

--Requiring the execution of a non-transfer and end-use certificate for the export of any defense articles and defense services; and

--Requiring, as a condition of issuance of any license for the export of defense articles and defense services, U.S. access to, and verification of, the items after the export of the items or alternative measures to ensure compliance with restrictions on the transfer of the items to third-parties.

- Requires the President to report to Congress when he does not use his *discretionary* sanction authority just summarized.
- Waives the *mandatory* sanction authority above when the President certifies to Congress that: 1) the involved foreign person did not knowingly export the relevant item; or 2) the foreign government having primary jurisdiction over the person has entered into a written agreement with the U.S. to resolve the matter (under certain circumstances detailed in the bill).
- Also waives the *mandatory* sanction authority when the President certifies to Congress that such a waiver is “important to the counterterrorism, nonproliferation, or other national security interests of the United States.”

The bill also expresses several statements of policy aimed at praising the European Union’s decision to delay the official termination of its arms embargo on China, yet conveying disappointment at the continuing and increasing European arms sales to China in fact.

Additional Background: The International Relations Committee provided the following background:

The supply of European weapons technology to China has been increasing steadily in recent years, both in quantity and sophistication. In the 3-year period between 2001 and 2003 (the latest year for which data are publicly available from the European Union) European arms sales increased eightfold to \$540 million. Quantitatively, this level of arms sales (more than one-half billion dollars) exceeds the level which the United States Government licenses on an annual basis to more than 85 percent of the member countries of the North Atlantic Treaty Organization (e.g., of the other 25 NATO member countries, only U.S. arms sales licensed for the UK, Germany, Italy and Turkey exceeded \$500 million in fiscal year 2004). Qualitatively, European arms-related sales since the early 1990s that have been revealed in press reports have also included a number of systems which increase the range, reliability and lethality of China's attack aircraft and other offensive weapons systems.

Committee Action: On June 29, 2005, the bill was referred to the International Relations Committee, which, on the subsequent day, ordered the bill favorably reported to the full House by voice vote.

Cost to Taxpayers: A CBO cost estimate was not available at press-time. The International Relations Committee estimates that the bill would authorize \$650,000 to \$900,000 per year for each of next five fiscal years.

Does the Bill Expand the Size and Scope of the Federal Government?: No.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: No.

Constitutional Authority: The International Relations Committee, in House Report 109-165, cites constitutional authority in Article I, Section 8, Clause 18 (the congressional power to make all laws "which shall be necessary and proper for carrying into Execution the foregoing Powers").

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H.Con.Res. 191 — Commemorating the 60th anniversary of the conclusion of the war in the Pacific and honoring veterans of both the Pacific and Atlantic theaters of the Second World War (Hyde)

Order of Business: The resolution is scheduled to be considered on Wednesday, July 13th, under a motion to suspend the rules and pass the bill.

Summary: H.Con.Res. 191 would resolve that Congress:

- "honors all veterans, living and deceased, of the Second World War in both the Pacific and Atlantic theaters on the 60th anniversary year of the war's conclusion and expresses the deep appreciation and gratitude of the United States for their valor and selfless service to their country;

- “calls upon the people of the United States to commemorate September 2, 2005, the 60th anniversary of the final surrender of the Second World War aboard the USS Missouri, as a day of remembrance and appreciation for the members of the greatest generation who, through their sacrifices both in the Armed Forces and on the homefront, preserved liberty for future generations and rescued the world from the scourge of fascist militarism;
- “reaffirms the judgment in Tokyo rendered by the International Military Tribunal for the Far East of 1946-1948 and the conviction of certain individuals as war criminals for their crimes against humanity; and
- “recognizes that the alliances formed in the Asia-Pacific region following the Second World War, including those with Australia, Japan, the Philippines, the Republic of Korea, and Thailand, have contributed immeasurably to the continued peace and prosperity enjoyed throughout the region.”

The resolution includes a variety of findings about the causes, casualties, heroes, and outcomes of the Second World War.

Committee Action: On June 24, 2005, the resolution was referred to the International Relations Committee, which took no formal action on it.

Cost to Taxpayers: The resolution would authorize no expenditure.

Does the Bill Expand the Size and Scope of the Federal Government?: No.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: No.

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